

**IN THE MATTER OF  
A&A DRUG CO.  
d/b/a SAV-RX PHARMACY  
Permit No. P06333**

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**BEFORE THE  
MARYLAND BOARD  
OF PHARMACY  
Case No. PI-17-201**

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**PRE-CHARGE CONSENT ORDER**

**Background**

In October 2016, the Maryland Board of Pharmacy (the “Board”) received an application for reinstatement of an expired pharmacy permit held by A&A Drug Co., d/b/a Sav-Rx Pharmacy (the “Pharmacy”), Permit No. P06333. On its reinstatement application, the Pharmacy disclosed disciplinary actions taken against it by six other states between 2007 and 2016, which it had not previously reported to the Board. Because most of the other disciplinary actions concerned practicing pharmacy without an active pharmacy permit, the Board subpoenaed the Pharmacy’s records of prescription drugs dispensed into Maryland since January 1, 2005, which indicated that the Pharmacy dispensed 7,142 prescriptions into Maryland without an active permit between June 1, 2016, and November 30, 2016.

In lieu of instituting formal proceedings against the Pharmacy, in accordance with the Maryland Pharmacy Act, Md. Code Ann., Health Occ. § 12-101 et seq., the Board held a Pre-Charge Case Resolution Conference (“CRC”) with the Pharmacy on May 17, 2017. As a result, the Board and the Pharmacy have agreed to resolve this matter as set forth in this Consent Order.

**FINDINGS OF FACT**

1. The Pharmacy began operating as a pharmacy in Maryland under Permit No. P06333 on March 11, 2014. (The Pharmacy had previously operated as a pharmacy in Maryland under

Permit No. P04792 between October 24, 2008, and March 10, 2014.) The Pharmacy's permit expired after it was not renewed on or before May 31, 2016.

2. On or about October 13, 2016, the Board received an application for reinstatement from the Pharmacy. On its reinstatement application, the Pharmacy disclosed the following disciplinary actions taken against it in other states:
  - a. On February 28, 2006, the Illinois Board of Professional Regulations fined the Pharmacy \$40,000 for practicing pharmacy without a permit;
  - b. On June 21, 2007, the Montana Board of Pharmacy fined the Pharmacy \$1,500 for practicing pharmacy without a permit;
  - c. On August 28, 2008, the Missouri Board of Pharmacy fined the Pharmacy and placed it on probation for practicing pharmacy without a permit;
  - d. On August 28, 2012, the Maine Board of Pharmacy fined the Pharmacy \$20,000 and placed it on probation for practicing pharmacy without a permit;
  - e. On February 19, 2013, the Georgia Office of Commissioner of Insurance fined the pharmacy \$28,000 for practicing as a pharmacy benefit manager without a permit; and
  - f. On August 2, 2016, the Texas Board of Pharmacy fined the Pharmacy \$6,000 for failing to report its prior discipline in Illinois, Montana, Missouri, and Maine.
3. According to the Board's records, the Pharmacy did not report any of its prior discipline in other states to the Board.
4. On November 3, 2016, the Board issued a *subpoena duces tecum* to the Pharmacy, requesting invoices for all prescription dispensed by the Pharmacy into Maryland since

January 1, 2005. The responsive documents submitted by the Pharmacy indicated that it dispensed 7, 142 prescriptions into Maryland without an active pharmacy permit between June 1, 2016 (when its permit expired), and November 30, 2016.

5. At the CRC, the Pharmacy admitted to dispensing prescription drugs into Maryland without an active permit. The Pharmacy stated that it had previously employed in-house counsel to, among other things, keep track of its licensure in over 40 states, and that that individual no longer worked for the company.
6. The Pharmacy also stated that it now employs a paralegal whose only job duty is keeping track of and maintaining active permits in every state where the Pharmacy is permitted, and that the Pharmacy's leadership now gets weekly status updates on state licensure. The Pharmacy also stated that it placed a block on its computer system to prevent it from dispensing any more prescriptions into Maryland while its permit is non-renewed.

#### CONCLUSION OF LAW

Based on the foregoing Findings of Fact, the Board concludes that the Pharmacy is subject to disciplinary action in accordance with Md. Code Ann., Health Occ. §§12-313(b)(1) and (24), 12-401(a), 12-403(c)(9), 12,409(b), 12-703, and 12-707(e), and COMAR 10.34.11.09C.

#### ORDER

Based on an affirmative vote of a majority of the Board, it is this 12<sup>th</sup> day of July, 2017, hereby:

**ORDERED** that the pharmacy permit held by the Pharmacy, Permit No. P06333, shall be REINSTATED, provided that it is otherwise eligible for reinstatement; and be it further,

**ORDERED** that the pharmacy permit held by the Pharmacy, Permit No. P06333, shall be and hereby is REPRIMANDED; and be it further,

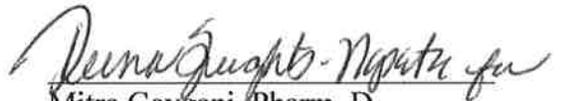
**ORDERED** that the Pharmacy shall pay a fine in the amount of \$10,000.00, payable to the Maryland Board of Pharmacy, within thirty (30) days of the date of this Order; and be it further,

**ORDERED** that failure to pay in full the above fine within thirty (30) days of the date of this Order shall be considered a violation of this Order, and after notice and opportunity for a show cause hearing shall subject the Pharmacy to further discipline such as suspension, revocation or further fines based on the violations cited in this Order; and be it further,

**ORDERED** that the Pharmacy shall practice in Maryland at all times in accordance with the Maryland Pharmacy Act; and be it further

**ORDERED** that this is a formal order of the Maryland Board of Pharmacy and as such is a public document pursuant to the Md. Code Ann., Gen. Provisions § 4-333(b).

Date 7/12/17

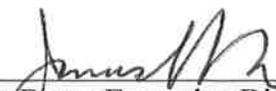
  
Mitra Gavgani, Pharm. D.  
President, Maryland Board of Pharmacy

CONSENT

1. By signing this Consent, the Pharmacy submits to the foregoing Consent Order as a resolution of this matter in lieu of formal charges, which process would have afforded the Pharmacy the right to a full evidentiary hearing. The Pharmacy consents and submits to the foregoing Findings of Fact, Conclusions of Law, and Order as if made after a full evidentiary hearing in which the Pharmacy would have the right to counsel, to confront witnesses, to give testimony, to call witnesses on its behalf, and to all other substantive and procedural protections provided by law.
2. By signing this Consent, the Pharmacy waives any rights it may have had to contest the findings and determinations contained in this Consent Order.
3. The Pharmacy acknowledges that this is a formal order of the Board and as such is a public document.
4. The Pharmacy acknowledges the legal authority and the jurisdiction of the Board to enter into and enforce this Consent Order.
5. The Pharmacy signs this Consent Order freely and voluntarily and after having had the opportunity to consult with counsel. The Pharmacy fully understands the language, meaning, and effect of this Consent Order.

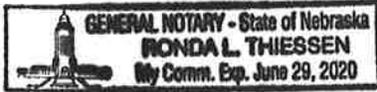
A&A Drug Co. d/b/a Sav-Rx Pharmacy  
Permit No. P06333

7-10-17  
Date

  
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Jim Barta, Executive Director  
Sav-Rx Pharmacy

STATE OF Nebraska  
COUNTY/CITY OF Dodge/Fremont

I hereby certify that on this 10th day of July, 2017,  
before me, a Notary Public of the State of Nebraska and County/city aforesaid,  
personally appeared Jim Barta, on behalf of SAV-RX PHARMACY, and made an oath in due  
form that the foregoing Consent was his voluntary act and deed.



Ronda L. Thiesen  
Notary Public  
My commission expires: 6/29/2020